

MEMORANDUM

TO: SCOTT CASSEL, EOEА

FROM: ERIC FRIEDMAN, DPGS
MARCIA DEEGLER, DPGS
DENISE GAFFEY, EOEА

RE: FISCAL YEAR 1996 PILOT PURCHASE PROGRAM

DATE: JULY 27, 1996

Attached you will find an interim report with regard to the Fiscal Year 1996 Pilot Purchase Program for Environmentally Preferable Products. The report summarizes the program results to date, outlines the process taken to purchase these products and describes future efforts which will be taken to complete this project. In addition, as part of the report, I have attached summary spreadsheets which detail the type of product purchased, the recipient of each products, the intended use and the name of the vendor supplying each product. Please contact me if you have any questions or comments. Again, thanks for your support of this and other efforts to purchase environmentally preferable products.

cc: Drew Hoyt, EOEА
Jeffrey Lissack, DEP

**FISCAL YEAR 1996
ENVIRONMENTALLY PREFERABLE PRODUCT PILOT PURCHASE PROGRAM
INTERIM REPORT**

**OPERATIONAL SERVICES DIVISION
(FORMERLY DEPARTMENT OF PROCUREMENT AND GENERAL SERVICES)
EXECUTIVE OFFICE OF ENVIRONMENTAL AFFAIRS**

JULY 25, 1996

I. SUMMARY

In Fiscal Year 1996, as part of the effort to promote the procurement of environmentally friendly products by state departments, authorities and municipalities, the Executive Office of Environmental Affairs (EOEA) agreed to make available more than \$42,000 from the Clean Environmental Fund to the Operational Services Division (formerly the Department of Procurement and General Services or DPGS) to purchase and test environmentally preferable products. Following this agreement, EOEA and the Operational Services Division (OSD) established a joint working group which met periodically throughout the year to identify and procure goods which were deemed environmentally preferable.

Over the course of the project, over a dozen different products were purchased for over a dozen state facilities and municipalities. All products were delivered by June 30, 1996 and have been, or will be, installed over the summer, 1996.

II. PRODUCT SELECTION CRITERIA

The first task of the inter-agency working group was to develop a set of criteria to identify the types of environmentally preferable products which should be purchased as part of the pilot program. The criteria developed included:

- products which were made with recycled content but were not in widespread use by state entities

- products which reduced the amount of toxics generated by state facilities
- products which had the potential for widespread application in state facilities
- products which had at least a minimum track record in other locations

The group identified a target group of products for purchase which included:

- recycled plastic lumber recreational products (e.g. tables, benches, decking, marine uses, etc.)
- recycled plastic lumber transportation products (e.g. speed bumps, parking stops, barricades, delineator posts, etc.)
- non-toxic cleaners
- recycled flooring products (e.g. carpet, tiling, other flooring, etc.)
- landscaping materials and equipment

III. FACILITY IDENTIFICATION

Following the identification of target product categories, the working group set out to identify facilities which would be interested in participating in a pilot purchase program for these products. Working through the Clean State Program a project proposal was distributed to the Clean State Coordinating Council (See attached) asking members to identify departments/facilities which had an interest in receiving some of the above mentioned products and participating in a pilot program to test and evaluate each product. In addition, at several municipal workshops around the state the same letter was distributed. The letter made clear that any recipient of a pilot product would be responsible for installing it, using it and cooperating with EOEA and OSD to evaluate the product's performance over time.

As a result of this outreach, dozens of requests for products were submitted totaling over \$200,000 in value. The working group then spent several weeks determining which facilities would receive which products, attempting to evenly distribute products to all those who requested them and targeting one or two purchases in each product category. The final list of those receiving products under the pilot program included:

- Cape Cod Community College
- North Shore Community College
- UMass Amherst
- Mass. Highway Department
- Department of Environmental Management
- Metropolitan District Commission
- Mass. Correctional Industries
- Department of Public Health - Mass. Hospital School
- Department of Mental Retardation - Fernald Developmental Center
- Department of Mental Retardation - Glavin Regional Center
- Department of Mental Retardation - Wrentham Developmental Center
- Department of Mental Retardation - Monson Developmental Center
- Town of Marion

IV. PROCUREMENT PROCESS

The procurement of the pilot products was coordinated by OSD as the state's procurement agency. Depending on the type of product, estimated value of the purchase, and the target agency, different procurement methods were used. These methods included establishment of a limited user contract (for Mass. Highway tables and benches), a Request for Response (under the new procurement procedures introduced in the Spring of 1996) and incidental purchases of under \$1,000. In all cases, at least 3 vendors were contacted and every attempt to conduct a competitive procurement was made. In certain instances, OSD received quotes from only 2 vendors, the maximum number found to offer the product in question.

Specifications for each product were written by EOEA and OSD in consultation with the participating departments. Every attempt was made to ask for a product which was equivalent to the non-environmental product currently being used. Every vendor was informed that delivery of all goods must occur prior to June 30, 1996 in order for the Commonwealth to expend funds.

In one circumstance, the funding from the pilot program was used as partial payment to leverage additional spending on an environmental product. In this case, the Mass. Highway Department (MHD) agreed to purchase 50 plastic lumber picnic tables and 50 plastic lumber benches for use in their rest areas around the state. EOEA and OSD agreed to use approximately \$6,000 for this purchase if MHD agreed to spend the additional funds. An agreement was reached and a limited user contract was established, allowing MHD to purchase additional tables and benches over the course of the contract if it so desired.

V. PRODUCT EVALUATION

Because the products purchased as part of the pilot program will need to be evaluated over many months, even years, a decision was made to conduct ongoing evaluations of these products. The first evaluation stage will occur during July and August, 1996 and will attempt to:

- evaluate the appearance and feel of each product
- get an initial reaction to the product's performance and any other features
- evaluate the ease of installation (if applicable)
- evaluate the use of standard carpentry tools on non-wood products

The second stage of evaluation will occur toward the end of Fiscal Year 1997 and will evaluate each product with regard to performance over a one (1) year period, level of maintenance and repair required, durability, as well as attempt to determine a cost-benefit analysis between the environmentally-preferable and standard product. Additional evaluations may occur over time as needed.

VI. PROGRAM EVALUATION

Although the installation and evaluation stages of the FY 96 pilot purchase program are still ongoing, a preliminary evaluation of the program itself can be made. Overall, the program thus far can be considered a success for the following reasons:

1. initial response from participants demonstrated that departments were very pleased to participate in the program and interested in testing new products;
2. the wide variety of products purchased will give the state very useful information about a number of products, hopefully leading to future purchases;
3. the large number of facilities receiving products will enable varied opinions to be obtained, lending credibility to the evaluation of these products;
4. a wide variety of vendors were contacted through the bid process leading to new contacts and product information; and
5. facilities were educated about the existence of a wide range of recycled products available even though they were not awarded all of them.

However, there were also several problems with the pilot purchase program, including:

1. the small number of staff (3) members working on this project on a part-time basis led to delays in the project resulting in the need to process a great many awards in a very short time frame toward the end of the fiscal year;
2. the large number of departments receiving products resulted in a time-consuming process designed to ensure that all participating facilities were contacted, their specific needs identified and confirmed and that ultimately, the product ordered met their needs; and
3. the large number of products purchased reduced the amount of time available to conduct in depth research and write sufficiently detailed specifications.

VII. RECOMMENDATIONS FOR FUTURE EFFORTS

In addition to continuing the evaluation of current purchases, a number of recommendations can be made for future efforts.

First, we recommend that EOEA continue providing funds for pilot purchases to the OSD. This type of effort can provide an important impetus for actually getting products into state departments that might not purchase them on their own.

Second, any new pilot purchase program should limit the number of products purchased to a reasonable number, depending on the time allotted for the purchases. This will enable OSD to adequately research these products, develop appropriate specifications and conduct the bidding process in an orderly and timely fashion.

Third, any new efforts should include attempts to leverage additional purchases of environmentally preferable products by departments. This could include the requirement of

future commitments by departments or the use of pilot purchase funding to match funding provided by a public sector entity.

Fourth, any funds appropriated for this program should be transferred to OSD as early as possible so as to ensure the longest possible time frame to develop and process competitive bids.

Fifth, products should be purchased as early in the fiscal year as possible so as to at least begin evaluation of the product before the end of the fiscal year.

Sixth, every effort should be made to include additional personnel from appropriate departments to assist in the research and bid development stage. This may include interns or staff members from other departments which have an interest in the products being purchased.

And last, any efforts to purchase environmentally preferable products should be attached to a complete evaluation and marketing of the products purchased. This should include joint efforts by EOEA and OSD to report on the performance of these products and develop methods to inform state purchasers of any analyses that take place and of the pros and cons of purchasing these products.